

SCO, CAL., FRIDAY, APRIL 19, 1912—EIG

SHIP TRUST CASE  
TO BE PROSECUTED

T NO DISPOSITION ON GOVERN- T  
MENT'S PART TO DROP IT

e Penalties to be Applied to For- In  
eign Companies Entering  
American Ports.

d New York, April 19.—Attorney Gen- w  
eral Wickersham's appearance before ro  
the House Committee on Merchant in  
Marine and Fisheries to explain the sa  
Wickersham-Humphrey bill and the co  
appropriation by Congress of \$25,000 br  
for investigation of the so-called "Ship- in  
ping Trust" was taken in shipping circles fr  
here to indicate strong determination 13  
on the part of the Government to fol- th  
low up the course of action entered of  
upon when it brought suit under the be  
Sherman act against the North Atlantic cu  
conference companies. th  
It was inferred from the reports that by  
the bill has among its provision are to las  
enact that there shall be no discrim- la  
ination in legislation and that all the l  
rules applied to foreign vessels enter- er  
ing American ports shall also apply of  
to domestic pools, trusts or combina- tw  
tions. This enlarged the original scope ses  
of the measure, for it will carry a like ar  
penalty to every company now engaged go  
in transatlantic business. As now ve  
proposed, the penalty will be the sale ter  
of every vessel adjudged to have so  
violated the anti-trust law of 1890 of  
and prohibition from entering at or clear- be  
ing from any port of the United States ov  
under a fine of \$25,000 for each violation. ha  
The legalized constitutional aspect wh  
of such a measure was explained for  
in these columns last week in the flo  
announcement of the details of the Wic- no  
ickersham-Humphrey bill. As then stated, ga  
steamship managers hold that such me  
pooling agreements as are represented acc  
by the "conferences" cannot be con- for  
sidered as unlawful combinations or 2  
conspiracies, but are in effect natural dic  
developments in the conduct of the jud  
ocean shipping business, especially due NO  
to the increased size of ships and the Ru  
greater cost of operation and risks en-  
tailed.  
They are, therefore, willing to per-  
mit their case to go before the courts  
on its merits. They say that agree-  
ments are necessary in order to make  
possible a continuance of the business.  
The history of the transatlantic trade,  
they contend, has been one in which,  
without agreements, the entire indus-  
try has been upset; without pool-  
agreements, it is held that companies  
would simply destroy each other.  
Emil L. Boas, resident director of  
the Hamburg-American Line, who has  
returned to his office after a short va-  
cation in the South, took this view  
yesterday, and added that the railroad  
trunk lines operating between New  
York and Chicago were restraining  
competition to a far greater extent  
than the ocean steamship lines, by  
maintaining fixed rates between these  
points and eliminating rate wars, but  
that Government did not seem to re-  
gard them as violators of the law.  
"If avoidance of destructive competi-  
tion is a violation of the Sherman act,"  
he said, "the Government must recog-  
nize it in the railroads all through the  
United States as well as in the few  
companies which conduct an overseas  
traffic."  
"The Government seems bent upon  
breaking up our pools and agreements,"  
said another manager of one of the  
big lines. "The dissolution suit filed  
last year in the United States District  
Court here against the foreign 'steam-  
ship trust' was not enough apparently;  
laws are being made and there is to be  
a Congressional investigation. Still,  
there has been no trial of the case yet,  
and until the Supreme Court says that  
our pools and agreements are in vio-  
lation of the 'reasonableness' of the  
anti-trust law we shall make no ef-  
fort to alter our present system of  
operation."  
The legislative inquiry into shipping  
pools will be held during the summer.

Ship Trust Case to be Prosecuted

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